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The Mauricio Gastón Institute for  
Latino Community Development  
and Public Policy

## Socio-Economic Profile of Brazilian Businesses in Allston-Brighton

*by Alvaro Lima and Eduardo Siqueira*  
February, 2011



CITY OF BOSTON  
Thomas M. Menino  
Mayor



## Socio-Economic Profile of Brazilian Businesses in Allston-Brighton



*by Alvaro Lima and Eduardo Siqueira*

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*This report was edited by Jim O'Brien  
Photo Credit: Alvaro Lima*

## Introduction

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Several studies published in Brazil and in the U.S. focus on the ethnic identity formation, immigration histories, cultural development, and demographic trends of Brazilians in Boston and in Massachusetts (Margolis, 1995; Martes, 1999; Beserra, 2003; Sales, 2003; Siqueira & de Lourenço, 2006; Lima & Siqueira, 2007). A profile of Brazilian businesses and their economic contributions to the nation and the state is still missing. This report is a preliminary attempt to fill this gap for Brazilian immigrants in Boston.

Under the sponsorship of the Mauricio Gastón Institute for Latino Community Development and Public Policy and with support from the City of Boston's Department of Neighborhood Development, we conducted research focusing on the socio-economic characteristics of the Brazilian entrepreneurs of Boston's Allston-Brighton neighborhood. The research aimed at inventorying and analyzing the Brazilian businesses operating in the neighborhood – understanding their economic strengths and weaknesses, and their needs for technical assistance and other business support.

## Methodology

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In September 2007 we reviewed existing public information from the Boston Redevelopment Authority (BRA) regarding the geographic, demographic, and socio-economic characteristics of formal Brazilian businesses in the Allston-Brighton neighborhood of Boston. Initially we identified forty formal Brazilian businesses in the Allston-Brighton neighborhood, defined as those businesses that were incorporated and had store locations in any of the streets that constitute the Allston-Brighton neighborhood. We also identified “informal” businesses, which were defined as those owned by Brazilians that were not incorporated and had no store location in the neighborhood but whose owner lived in Allston-Brighton.

To reach most, if not all, Brazilian businesses in the neighborhood, we conducted an extensive search of businesses during the first few months of 2008. We divided the neighborhood into sub-sections and mapped out all businesses that had trade names in Portuguese, displayed Brazilian flags in store windows, or had signs that targeted Brazilian customers. In addition, we asked known Brazilian business owners and staff from the Brazilian Immigrant Center, located in Allston, to connect us to all Brazilian business owners they knew. By May 2008 we confirmed that two of the forty businesses had closed. Thus, the total number of formal businesses in the neighborhood before we started the interviews was 38. We are confident that we identified all formal and most informal Brazilian businesses located in Allston-Brighton.

A research assistant contacted all business owners by phone or visited them before the interviews to explain the objectives of the project and ask for their participation in it. Following those initial contacts, interviews in Portuguese were conducted using a survey instrument designed by the principal investigators. These interviews lasted an average of one hour and were, in most cases, conducted at the business sites. All interviews were audio-taped to allow researchers to verify responses to open-ended questions. The survey instrument had 57 questions, mostly open-ended, addressing the following topics:

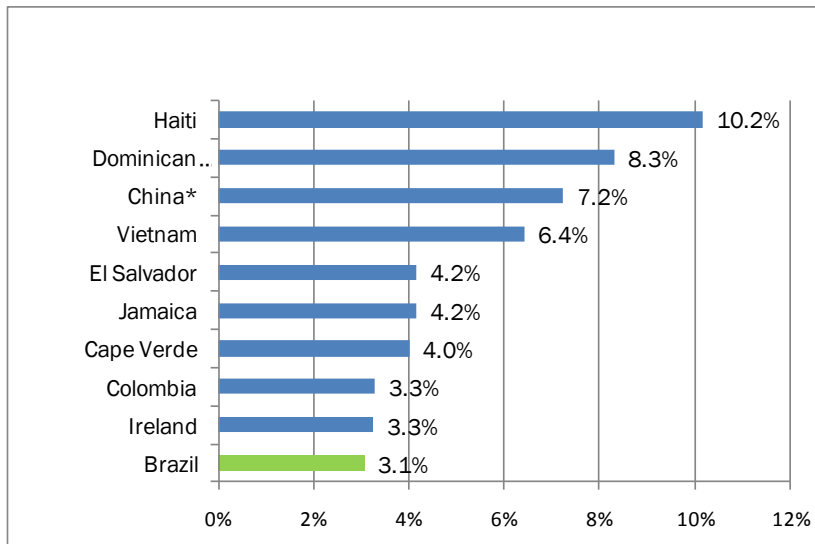
- Demographic characteristics of business owner (8 questions)
- General business characteristics (5 questions)
- Business market (6 questions)
- Business suppliers (3 questions)
- Personal history of business owners (7 questions)

- Business relationships with Allston-Brighton communities (9 questions)
- Transnational practices of business owners (16 questions)

Only one business owner refused to participate in the study. All interviewees signed the informed consent form prior to recording of the interviews. Our study protocol was approved by the Institutional Review Board of the University of Massachusetts Boston in November 2007.

## Brazilian Entrepreneurs in Boston

According to the 2007 U.S. American Community Survey, 6,822 Brazilians lived in Boston. We think that this number significantly undercounts the Brazilian population in Boston, based on prior research that has shown this number to be considerably higher.<sup>1</sup> Although Brazilians can be found citywide, they are concentrated in two neighborhoods of Boston: Allston-Brighton and East Boston. Figure 1 and Figure 2 show the Brazilian population ranking in Boston, the U.S., and Massachusetts in 2000 and 2006.



**Figure 1: Top Countries of Origin for Boston Foreign-born Population, 2000<sup>1</sup>**

### Brazilians – 2000 Rank

- 10th in Boston
- 3rd in Metro Boston
- 5th in MA
- 28th in the U. S.

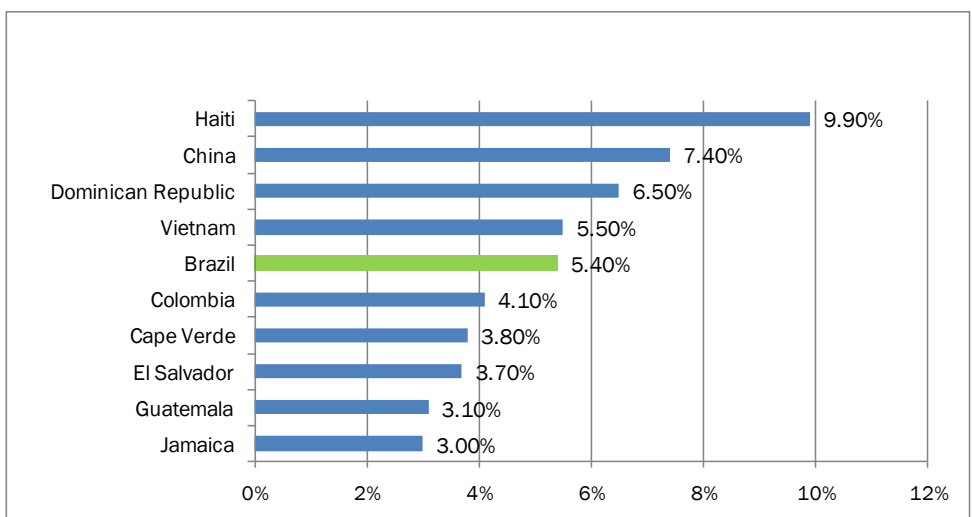
Source: U.S. Census 2000, BRA Research Division Analysis

**Figure 2: Top Countries of Origin for Boston Foreign-born Population, 2006**

### Brazilians – 2006 Rank

- 5th in Boston
- 1st in Metro Boston
- 1st in MA
- 25th in the U. S.

Source: U.S. Census 2006, BRA Research Division Analysis



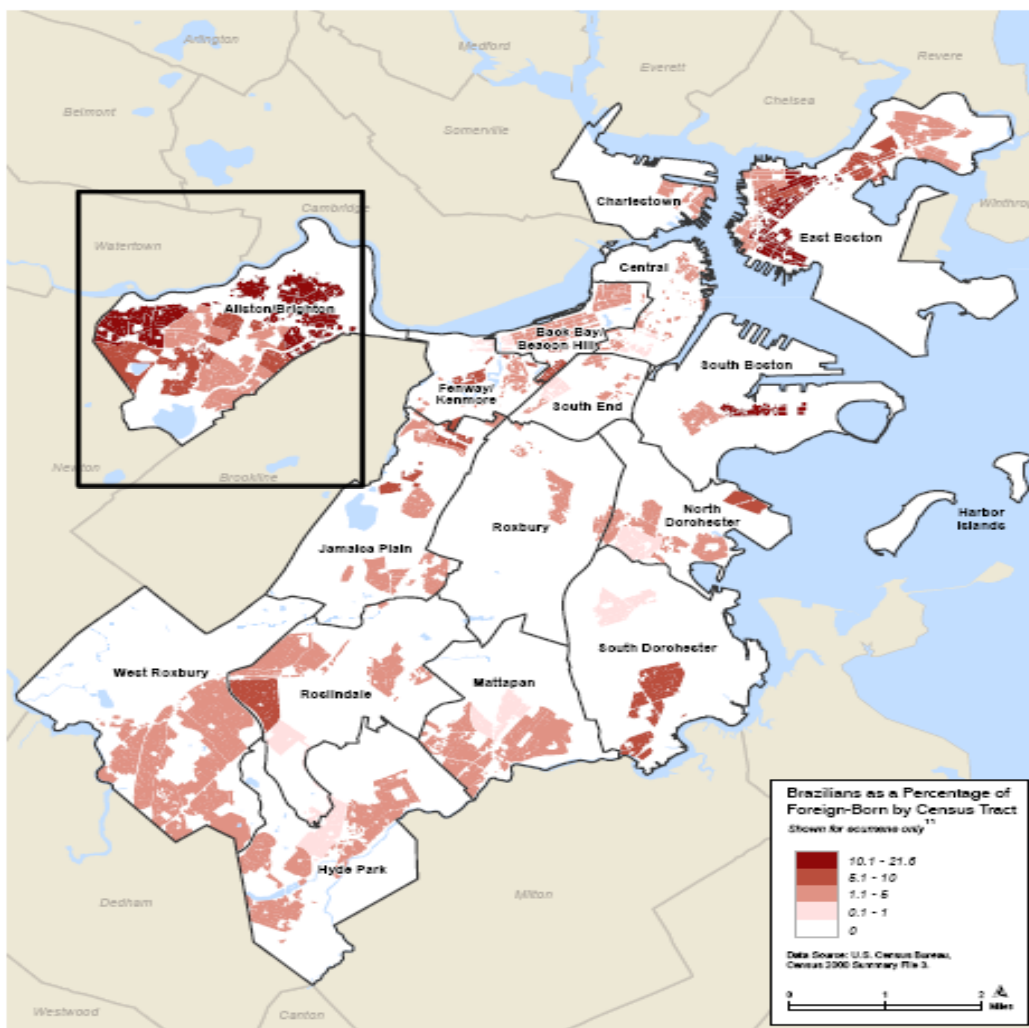
<sup>1</sup> In the recent report "Brasileiros na América," Lima estimated, based on remittance flows, that the number of Brazilians in Massachusetts is 336,000. According to the 2000 U.S. Census, Brazilians in Boston make up 12% of the total Brazilian population in the state, which corresponds to 40,320 people.

<sup>1</sup> \*Only China mainland; excludes Hong Kong and Taiwan

Allston-Brighton is a neighborhood made up of long-time residents, immigrants, and students. With close to 12% of Boston's population, it is the second most populous neighborhood in the city. Its foreign-born population tops 31.6%, which is a much higher proportion than for Boston as a whole, which is 25.8%. Over one quarter (26.4%) of Brazilians in Boston live in Allston-Brighton, and they are the largest immigrant group in the neighborhood (Figure 3).

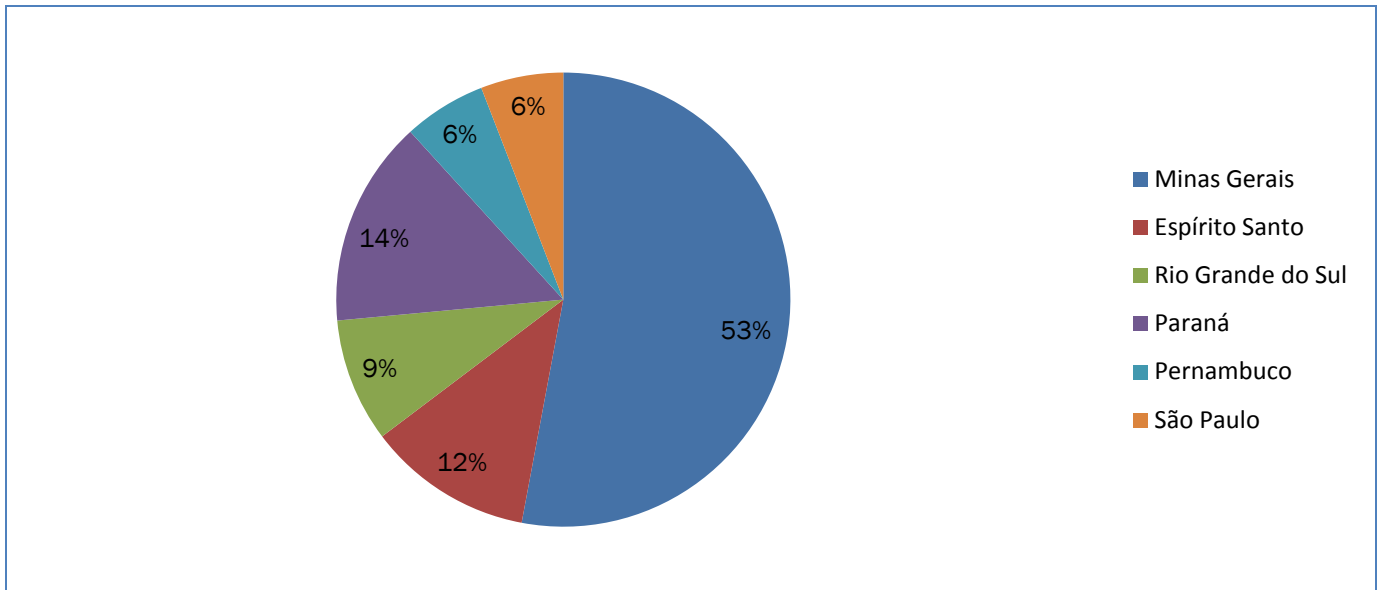
According to the 2000 U.S. Census, slightly over half (53%) of Brazilians in Boston are male. Nearly half (45%) are single, while 50% of them are between the ages of 20 and 34. Fifteen percent are U.S. citizens by naturalization.

**Figure 3: Brazilians as a Percentage of Foreign-Born by Census Tracts, 2000**



The characteristics of Brazilian entrepreneurs operating in the neighborhood are similar to those of Boston's Brazilian immigrant population. Fifty-three percent are males and slightly older than the Brazilian population (median age of 42 years versus 35.6 years). The majority (53%) comes from the state of Minas Gerais, as does 51.6% of the overall Brazilian population of Boston. The next highest number comes from the state of Espírito Santo (12%, compared to 9.6% for the overall Brazilian population in Boston) (Figure 4).

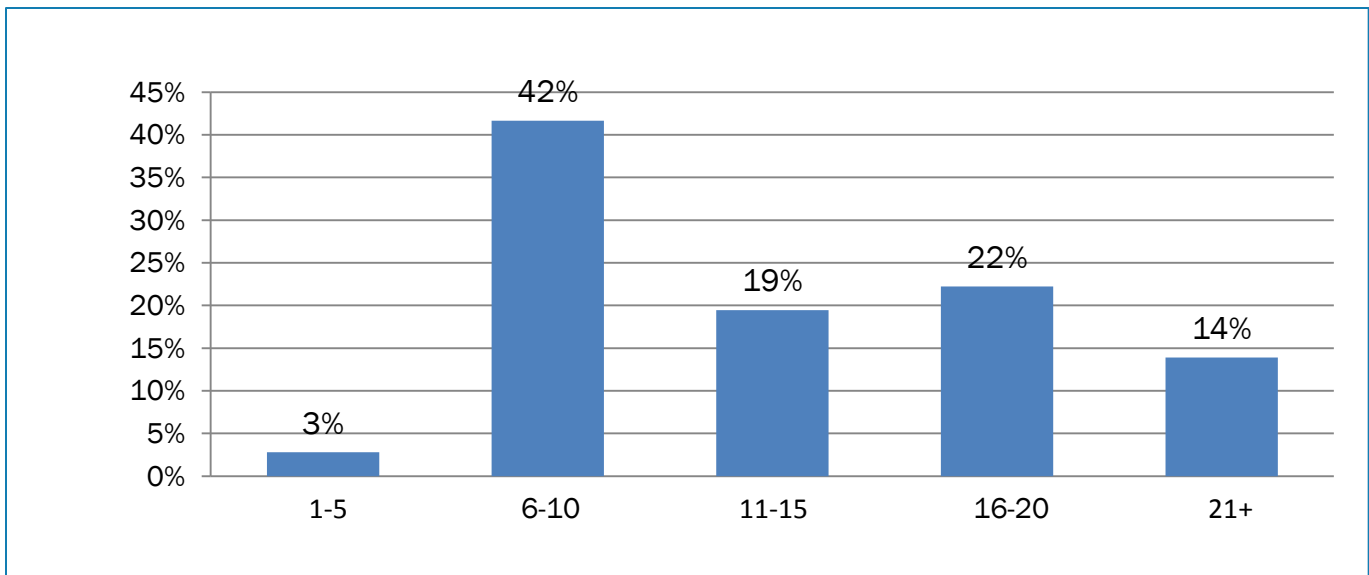
Figure 4: Brazilian Entrepreneurs' Places of Birth, 2008



Most Brazilian entrepreneurs in the neighborhood live in Brighton (76%). They have lived in the United States longer than the average stay for the Brazilian immigrant population of Boston: 42% have been in the U.S. between 6 and 10 years, while 55% have lived in the U.S. for more than 11 years; overall, they averaged 13.9 years of residence (Figure 5).

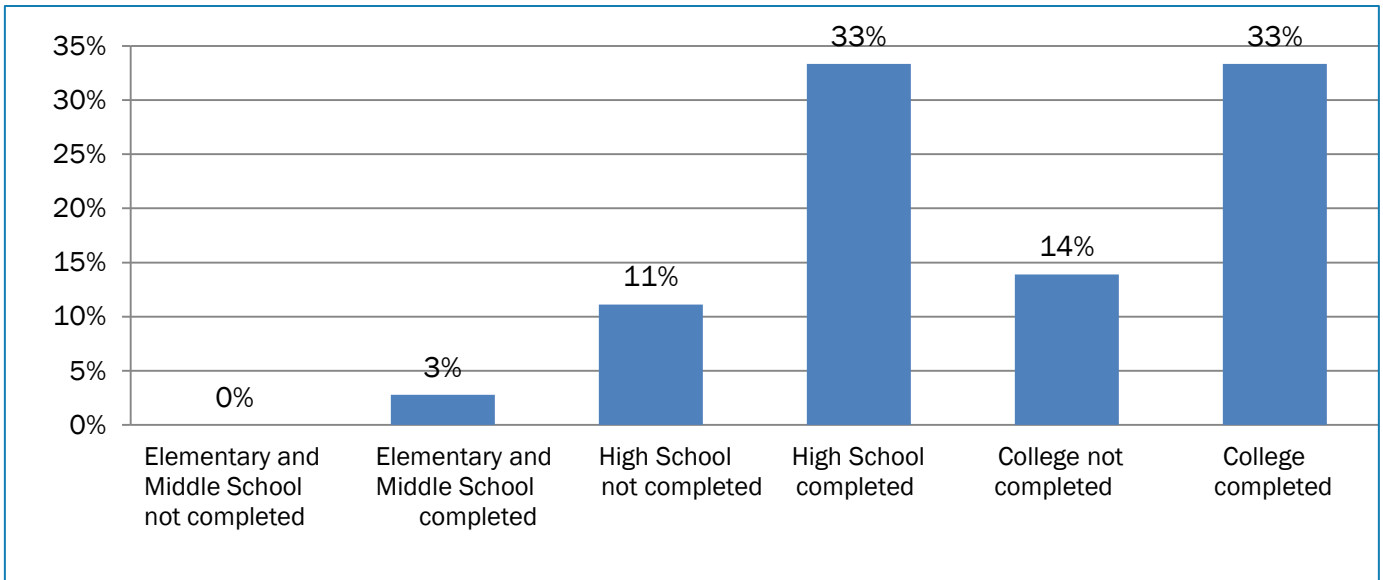
Brazilian entrepreneurs also have more years of schooling than the average for the Brazilian immigrant population of Boston. Fully 33% of them have completed college, compared to only 18% of the city's overall Brazilian population. Eighty percent have a high school diploma or higher compared to 52% in the Brazilian population (Figure 6).

Figure 5: Brazilian Entrepreneurs' Stay in the United States, as of 2008





**Figure 6: Brazilian Entrepreneurs' Educational Attainment, as of 2008**



Allston-Brighton is home to 1,286 businesses, with the majority concentrated in Professional, Business Services, Information (236), and Retail Trade (187), followed by Leisure and Hospitality (185) and Health Care and Social Assistance (142). It has the largest concentration of jobs among Boston's non-downtown neighborhoods, 30,885, which represented 6% of all jobs in Boston in 2004 (Figure 7). The Professional, Business Services, and Information sector provides the largest number of jobs (24%), followed by Health Care and Social Assistance (22%) and Retail Trade (10%) (Table 1).

Allston-Brighton is also home to a number of important institutions, including Boston College, Boston University, Harvard University, and St. Elizabeth's Hospital. Most of the neighborhood commercial activity takes place along Brighton Avenue, Harvard Street, Washington Street, and Western Avenue (Figure 8).



**Table 1: Employment by Industry Sectors in Allston-Brighton, 2004**

Industry Sector	Employment by Sector	Share of Employment	Establishments by Sector
Professional, Business Services and Information	7,510	24.30%	236
F.I.R.E.	976	3.20%	129
Health Care and Social Assistance	6,662	21.60%	142
Leisure and Hospitality	2,615	8.50%	185
Educational Services	3,033	9.80%	35
Wholesale Trade and Transportation	1,268	4.10%	82
Retail Trade	3,194	10.30%	187
Utilities and Construction	1,615	5.20%	66
Manufacturing	1,893	6.10%	33
Other	2,119	6.90%	191
Total	30,885	100.00%	1,286
Employment/Population Ratio	0.46		
Employee/Establishment Ratio	24.00		
Employees per Acre	64.53		
Establishments per Acre	2.69		
Tax Revenue from Commercial and Industrial Land	\$2,479,707,884		

Source: Boston Neighborhoods Business Patterns, BRA Research Division

**Figure 7: Share of Employment by Industry Sectors in Allston-Brighton, 2004**

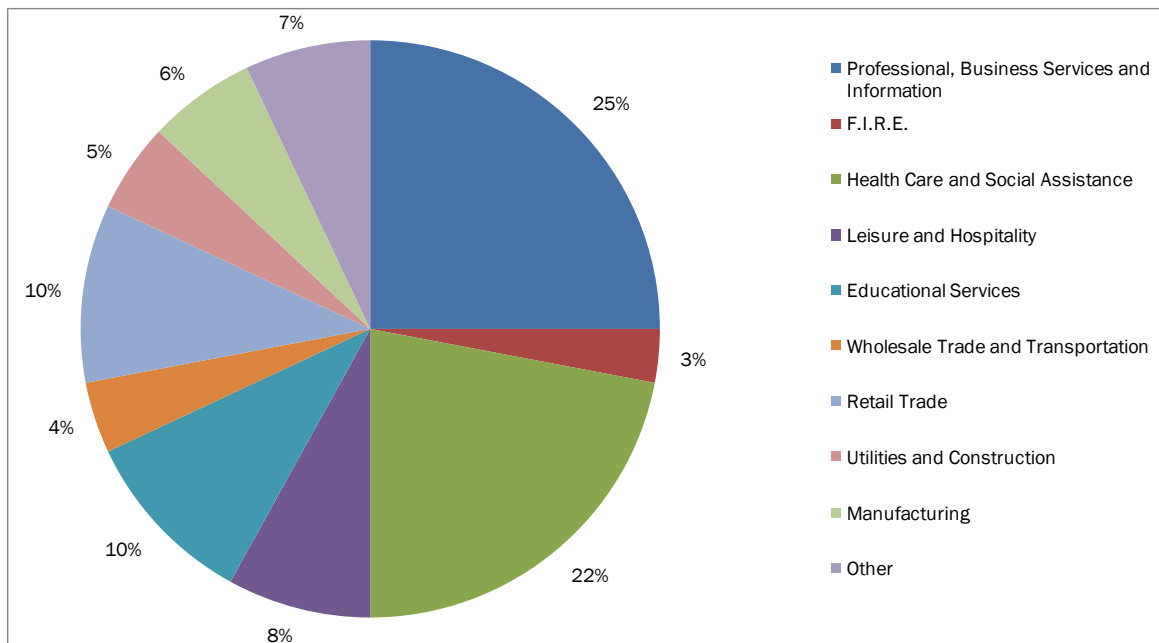
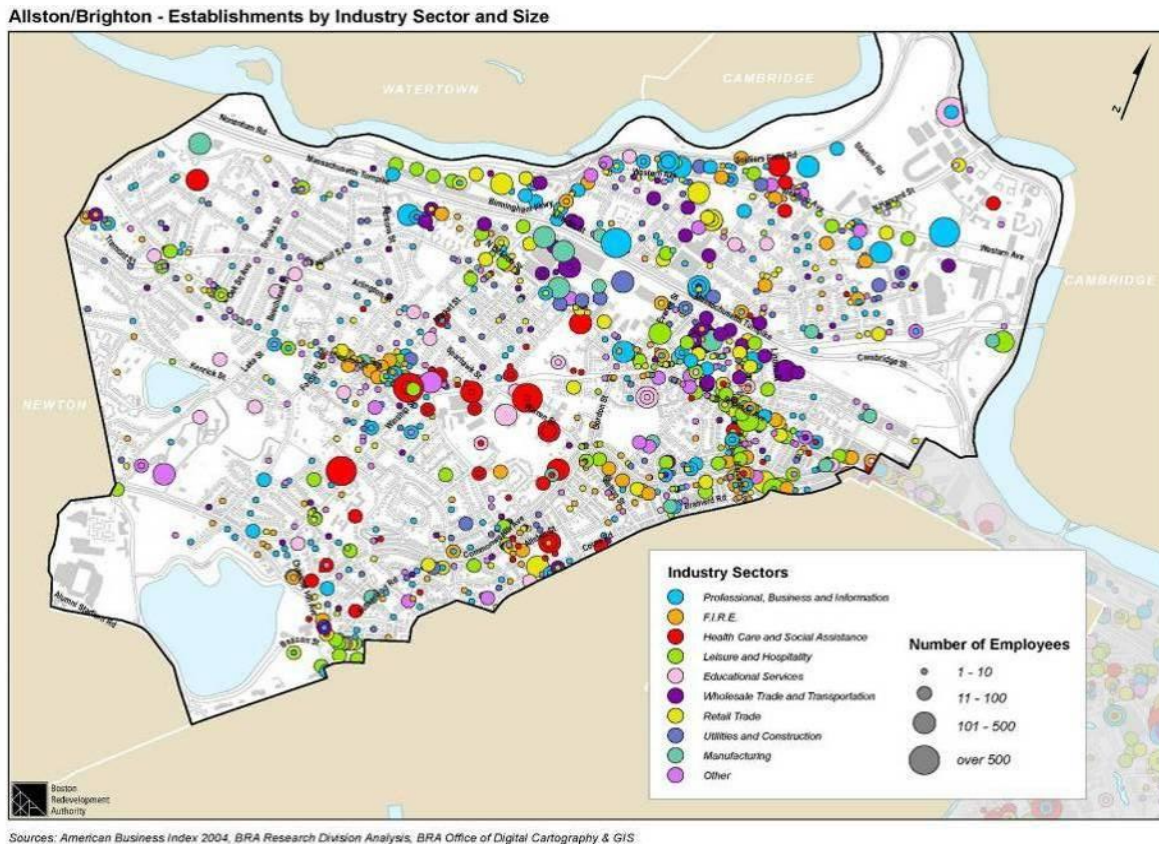


Figure 8: Establishments by Industry Sector and Size in Allston-Brighton, 2004



## Brazilian Owned Businesses of Allston-Brighton

We found 38 formal Brazilian establishments in Allston-Brighton, distributed among different industry sectors. Retail Trade (15%), Finance and Insurance (15%), and Educational Services (15%) are the three sectors with the largest concentration of establishments – an overrepresentation when compared to the overall 10% share of these industries in the neighborhood (Figure 9).

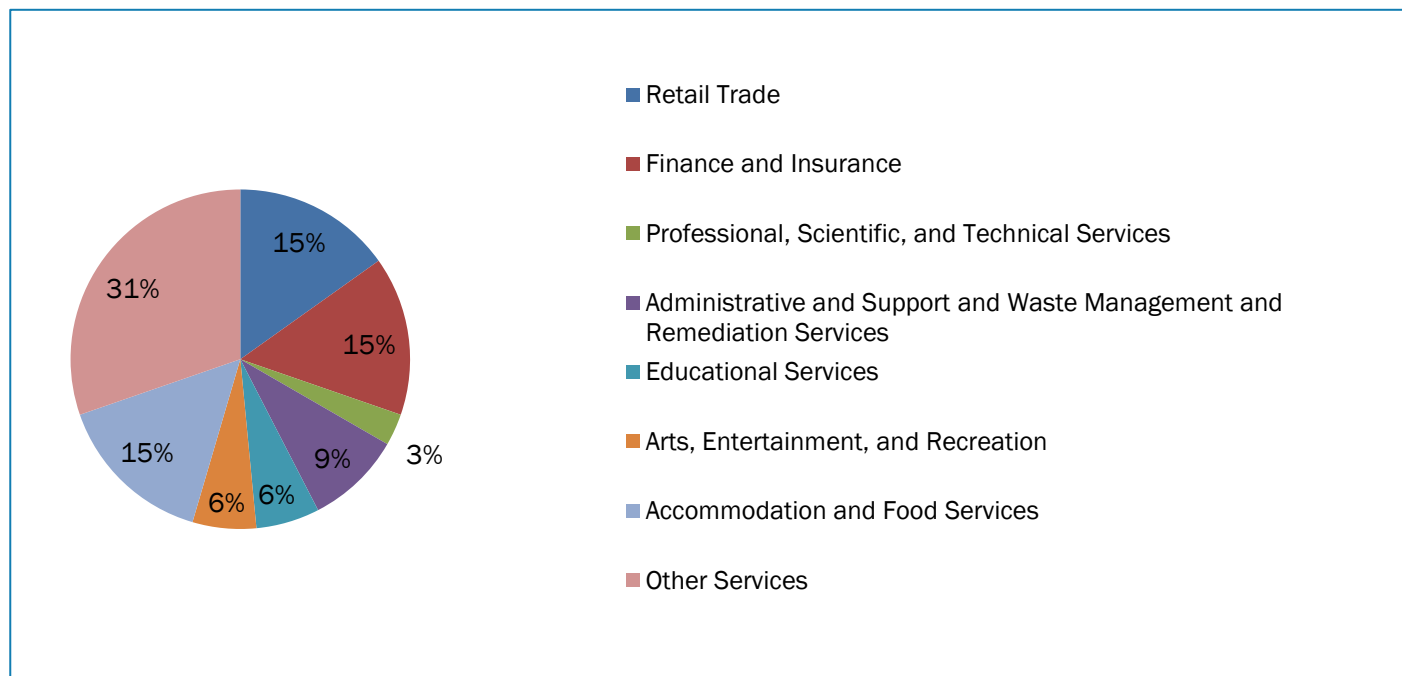
Half of Brazilian businesses are located in Allston while the other half makes Brighton their home. Their clients (42%) and suppliers (86%) come predominantly from Greater Boston. The majority of Brazilian business owners opened their businesses in the pursuit of independence (61%), personal satisfaction (44%), and/or better remuneration (39%). Only a minority (6%) started businesses because of lack of employment opportunities (Figure 10).

The average number of years in business is 7.4 years, with 47% in existence for less than 5 years, 25% between 6 and 10 years, and the rest for more than 11 years. Only 3% of the businesses are older than 21 years (Figure 11).

The majority of the workforce is employed full-time (77%) (Figure 12). More than four fifths (81%) are employed in businesses with 1 to 19 employees, while the rest are employed in businesses with more

than 20 employees (Figure 13). Part-time employment is predominant among businesses employing fewer than four people (Figure 14).

**Figure 9: Brazilian Establishments by Industry Sector in Allston-Brighton, 2008**



**Figure 10: Reasons for Opening Business, 2008**

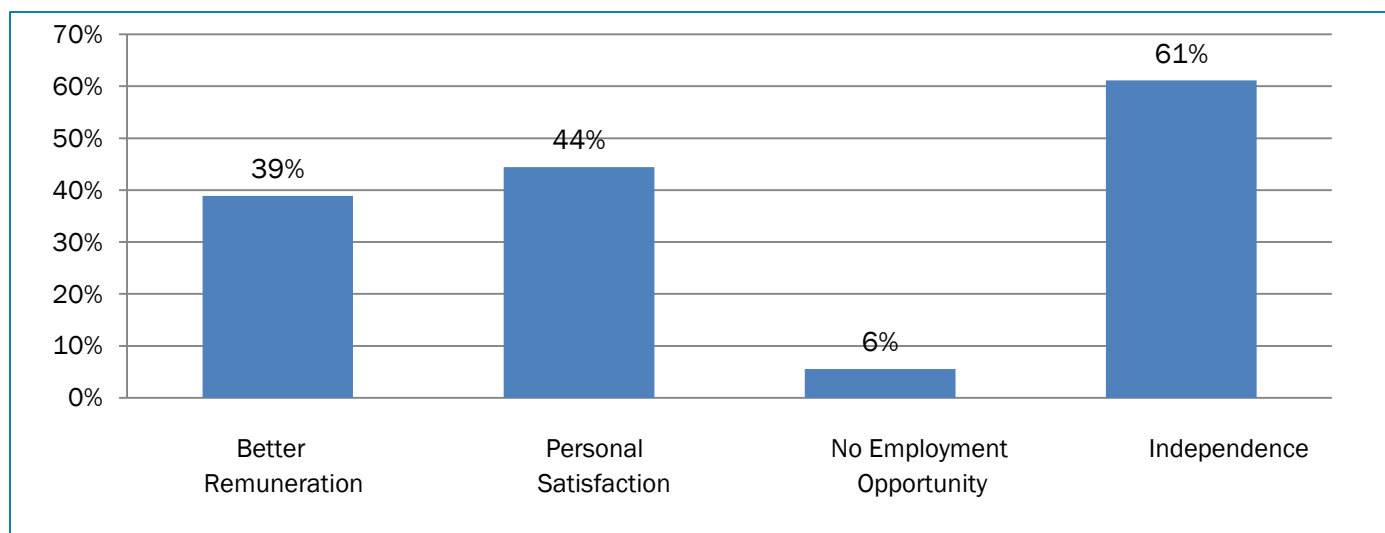


Figure 11: Years Owning the Business, as of 2008

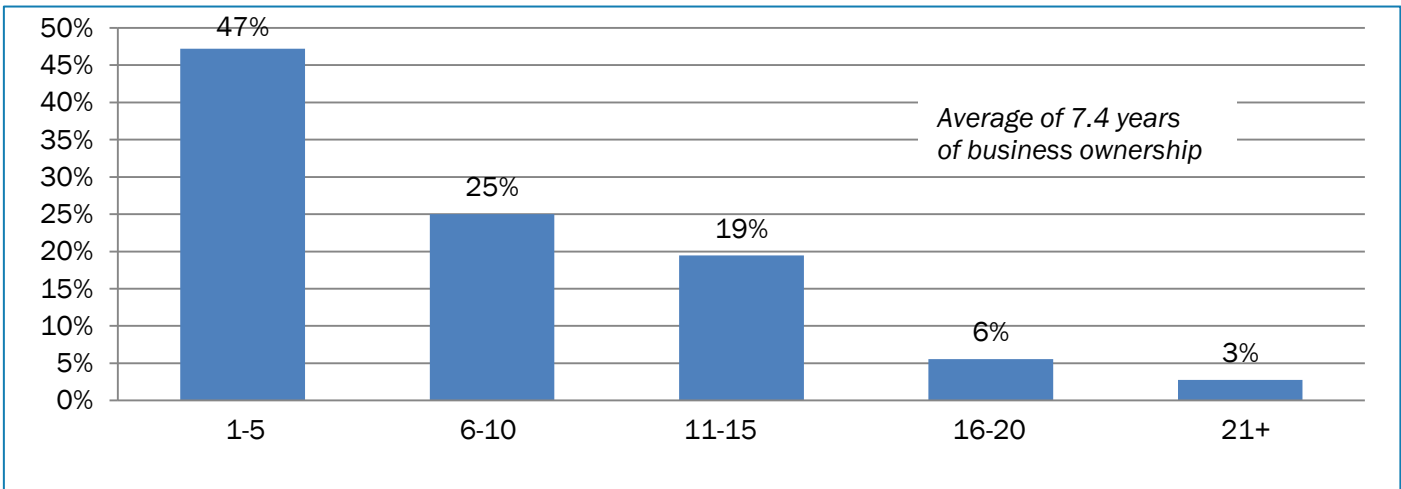


Figure 12: Workers Employment Status, 2008

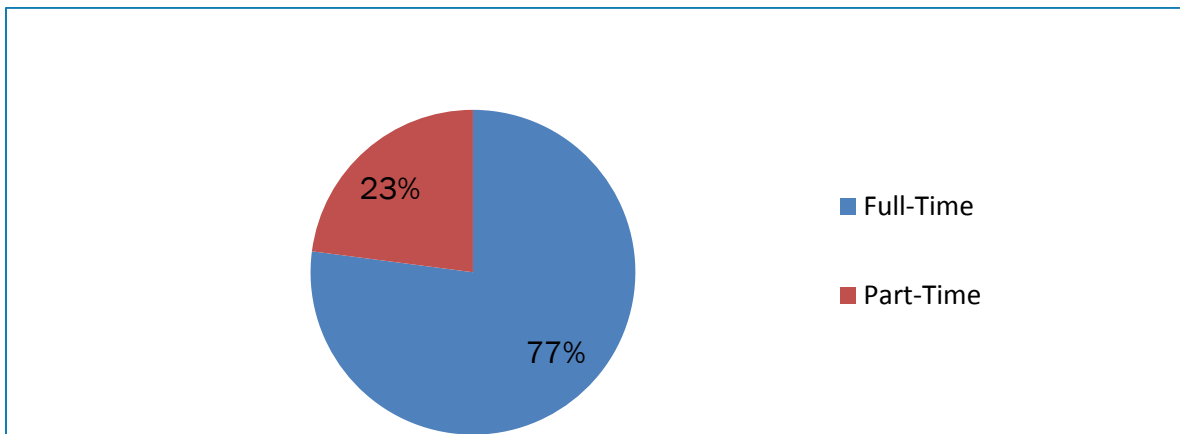
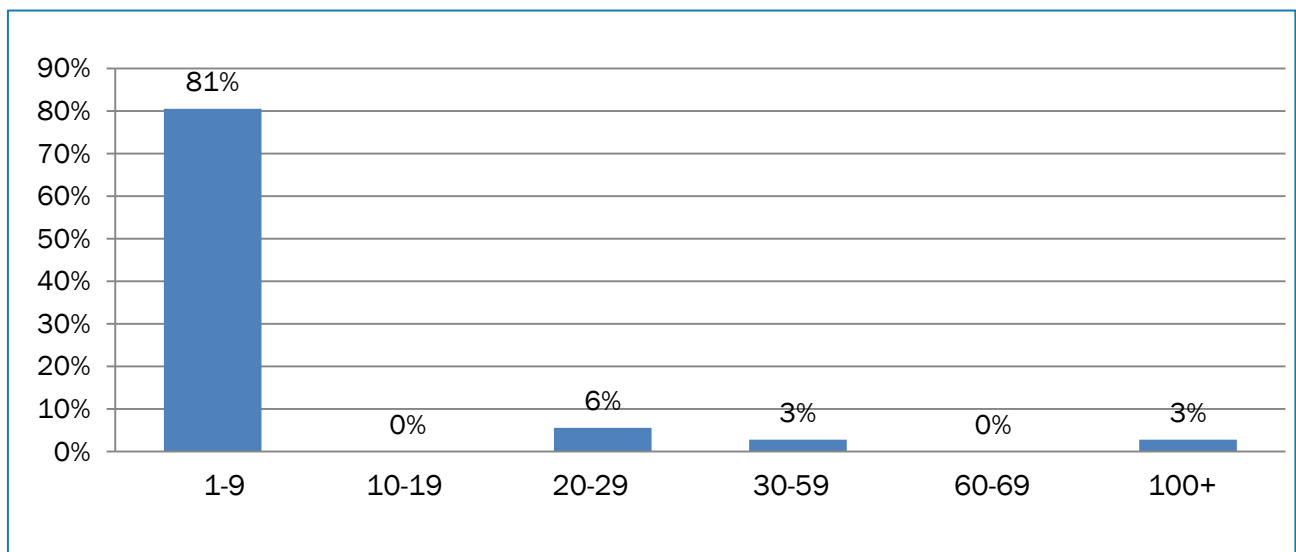
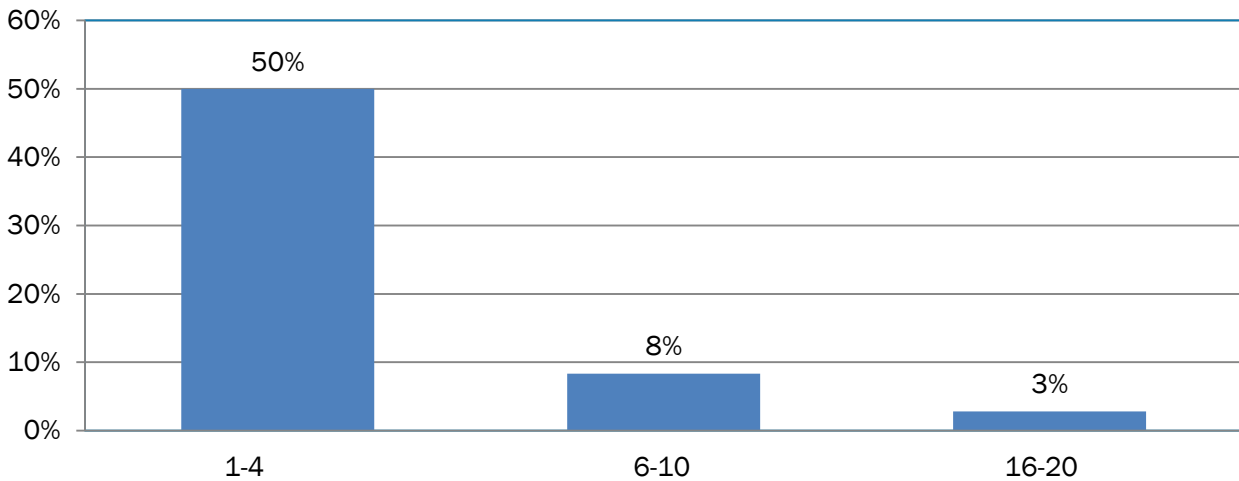


Figure 13: Business with Full-Time Employees, 2008



**Figure 14: Business with Part-Time Employees, 2008**

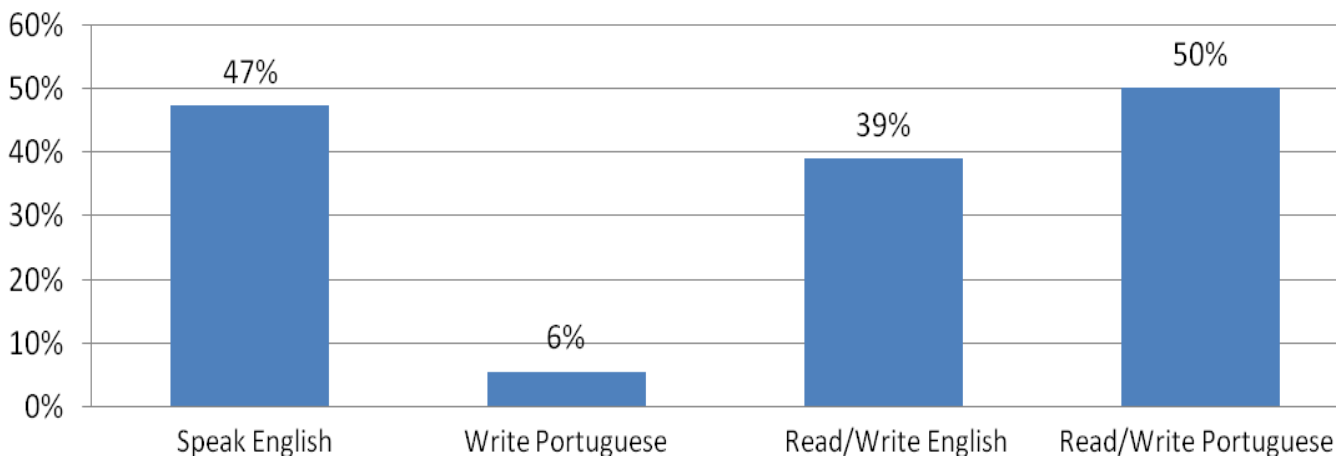


The workforce is bilingual, with 47% of the jobs demanding knowledge of spoken English as well as ability to read and write in Portuguese (50%) and English (39%).

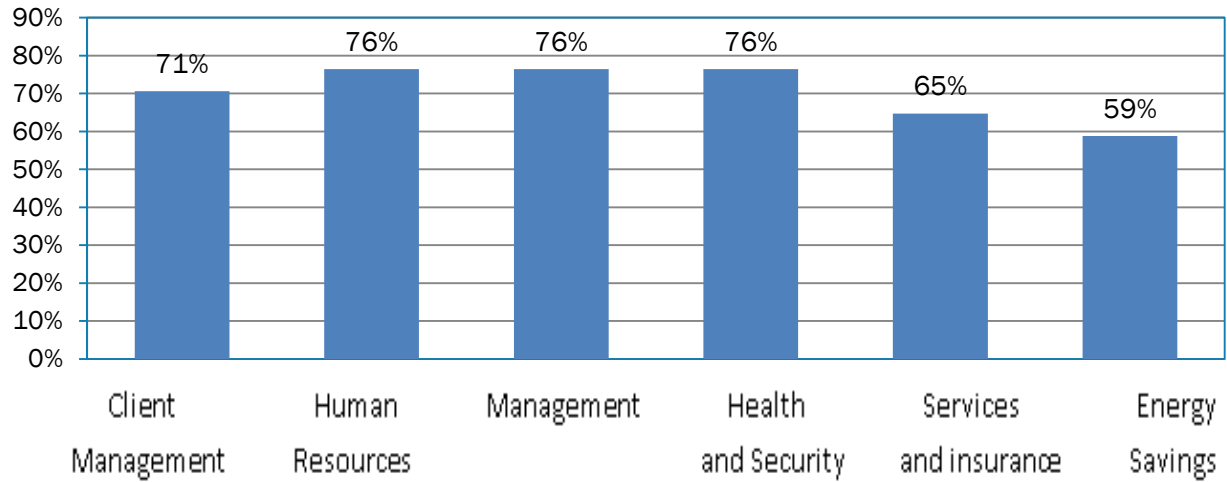
While 66% of business owners lack knowledge of government programs, they demonstrate a strong interest in services such as human resource management (76%), general management (76%), health and security (76%), client management (71%), insurance (65%), and energy savings (59%) (Figure 16).

Brazilian entrepreneurs maintain close business, civic, and social relationships with their host communities in Allston-Brighton as well as with their communities of origin in Brazil (Figures 17 A-B).

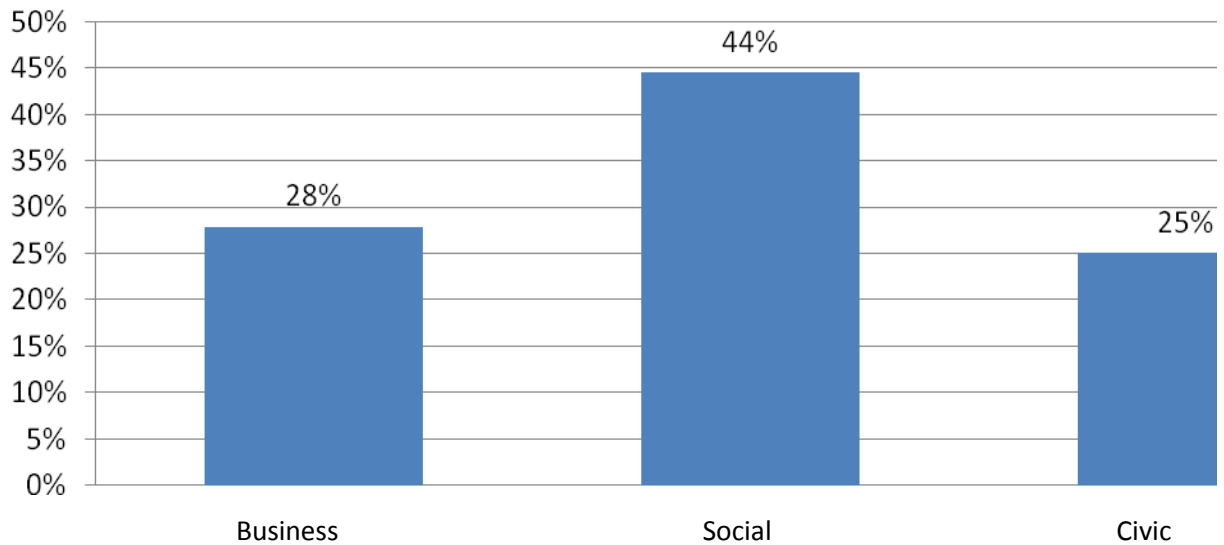
**Figure 15: Language Skills Needed for Job, 2008**



**Figure 16: Interests in Small Business Services**

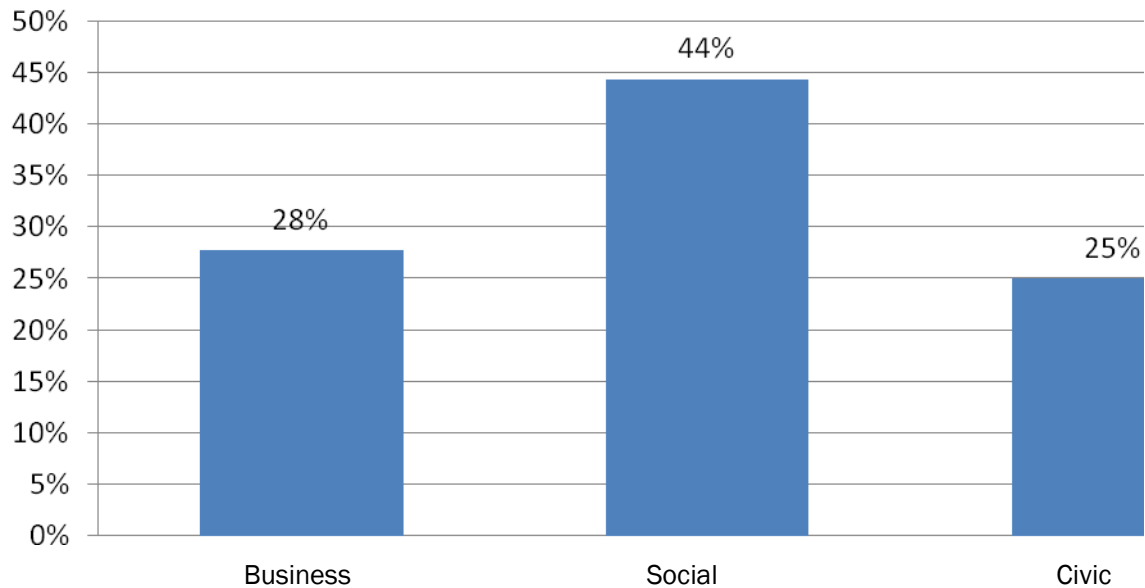


**Figure 17-A: Relationship with Allston-Brighton Community, 2008**

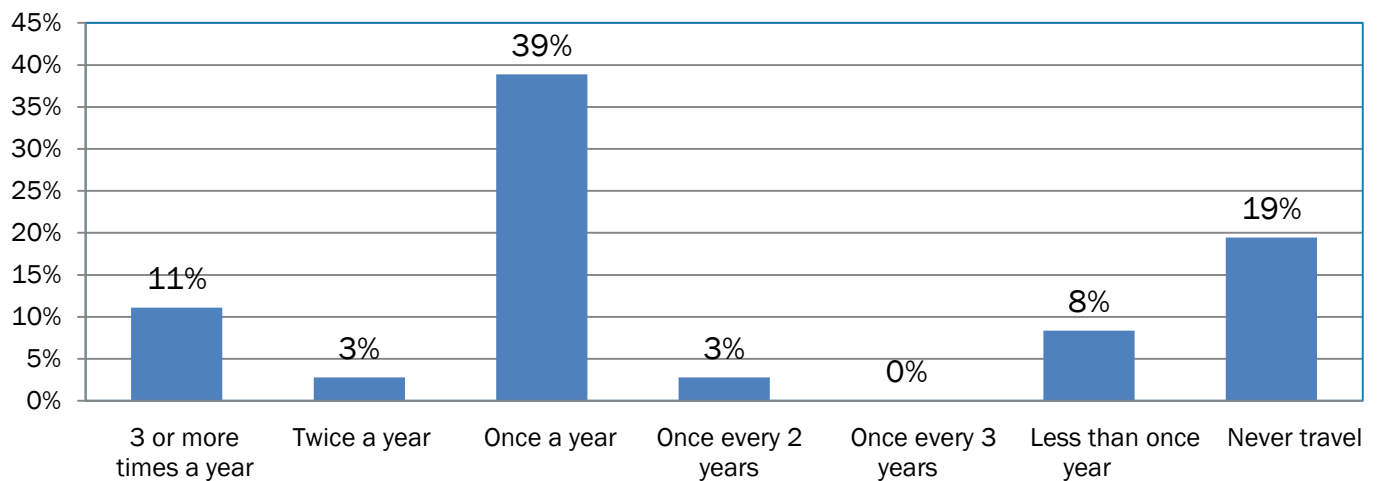


They live intense transnational lives. While only 10% of Brazilian immigrants in Boston travel to Brazil one or more times every year, 53% of Brazilian entrepreneurs visit Brazil that often.<sup>2</sup> More than a third (37%) stay for a month or more compared to 7.2% for the general Brazilian population of Boston.<sup>3</sup>

**Figure 17-B: Relationship with Brazil**



**Figure 19: Frequency of Traveling to Brazil, 2008**



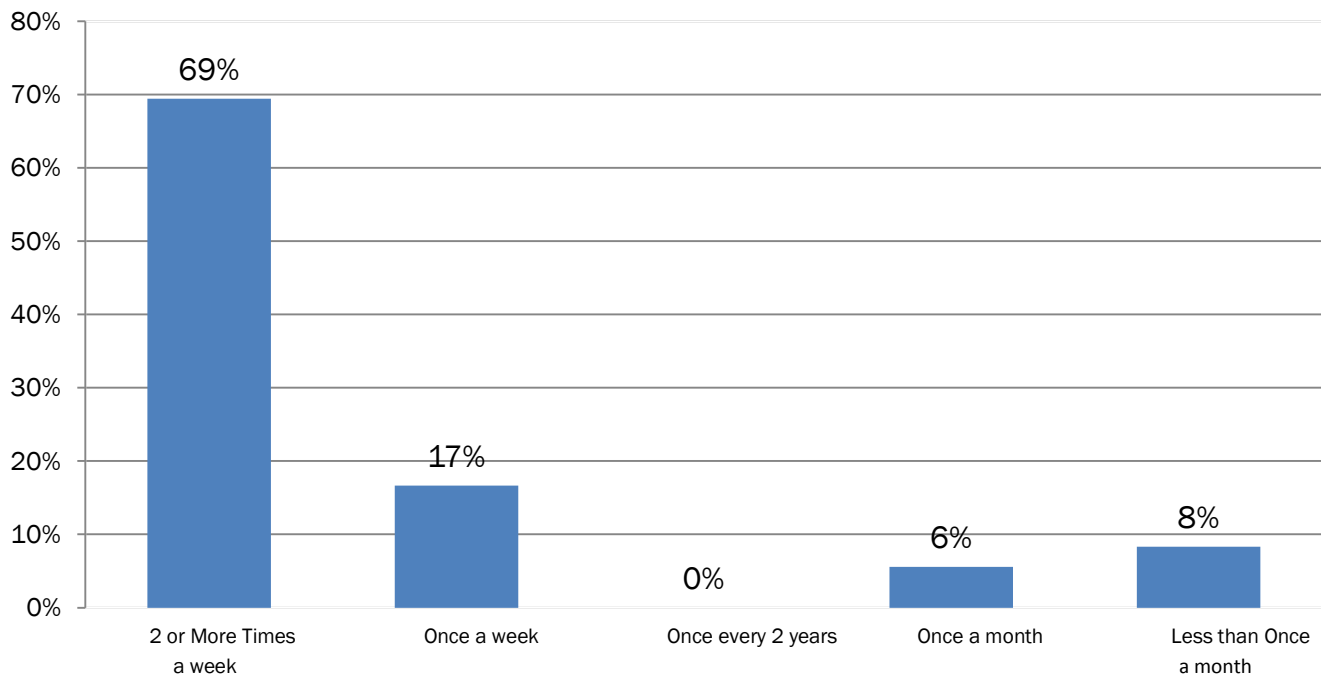
<sup>2</sup> The data for Brazilian immigrants in Boston was compiled from the Massachusetts sample described in Lima, A. & Plastrik, P. (2007). A Profile of Brazilian Remitters in Massachusetts, available at <http://www.nupolis.com>

<sup>3</sup> This may be related to the fact that a greater proportion of Brazilian entrepreneurs are documented immigrants compared to the overall Brazilian immigrant population.



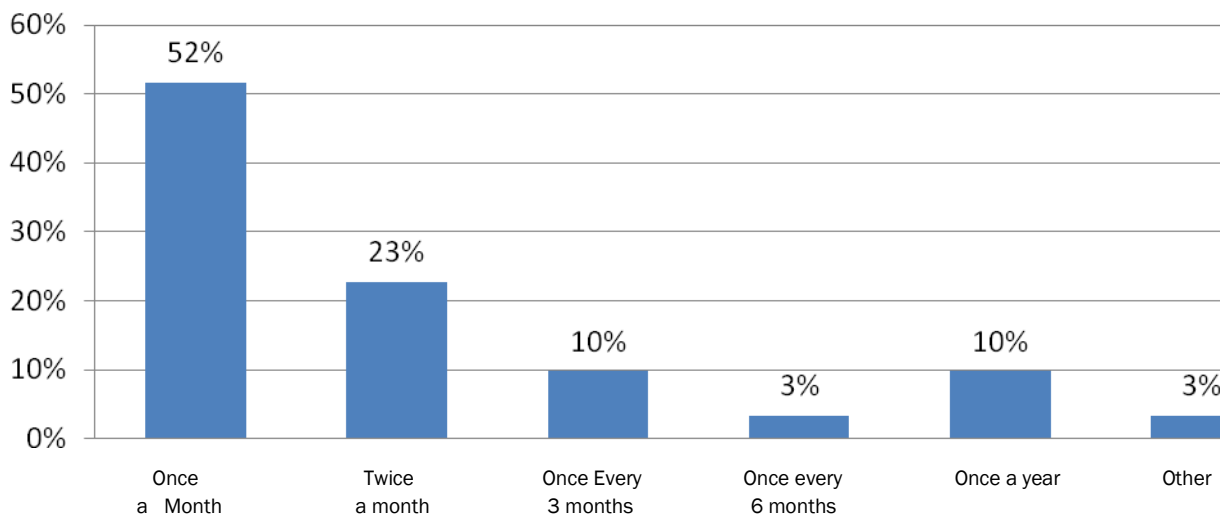
They also maintain contact by phone or e-mail. Sixty-nine percent call home two or more times a week, versus 60.7% for the overall Brazilian population in Boston. Eighty-three percent of Brazilian entrepreneurs use e-mail compared to 72% for the Brazilian population in Boston. They are less tuned to radio and TV broadcasts from Brazil: while 81% of Brazilian immigrant entrepreneurs listen to or watch these shows, 87.6% of all Brazilians in Boston do it.

**Figure 19: Frequency of Calls to Brazil, 2008**



Eighty-six percent of them send money home compared to 70% of all Brazilians in Boston. They send money more often and in larger amounts (Figures 20, 21).

**Figure 20: Frequency of Remittances, 2008**



**Figure 21: Amount of More Recent Transactions, 2008**

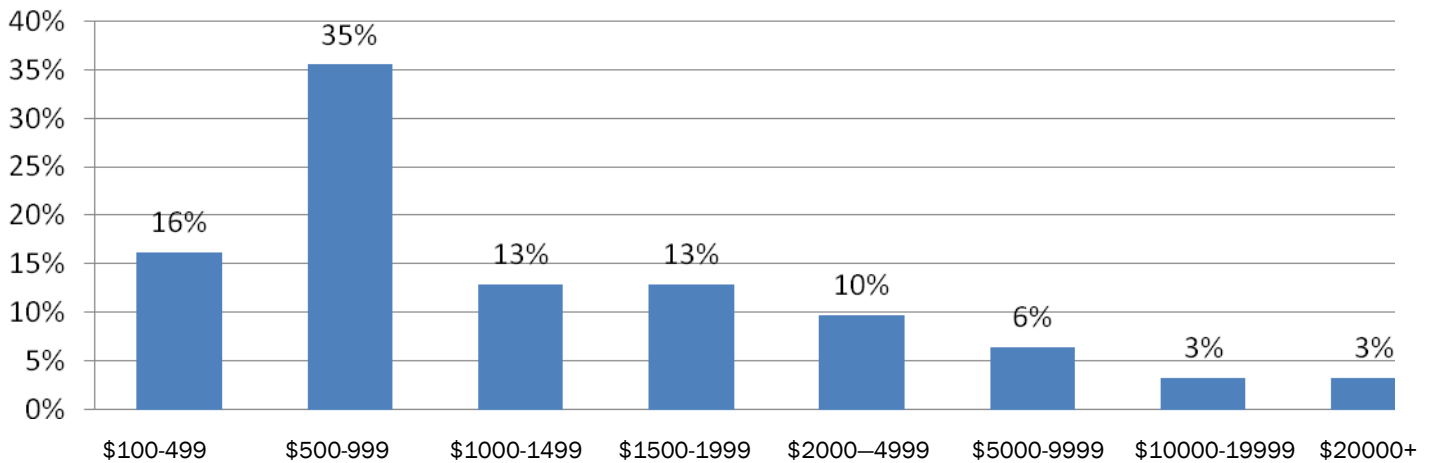
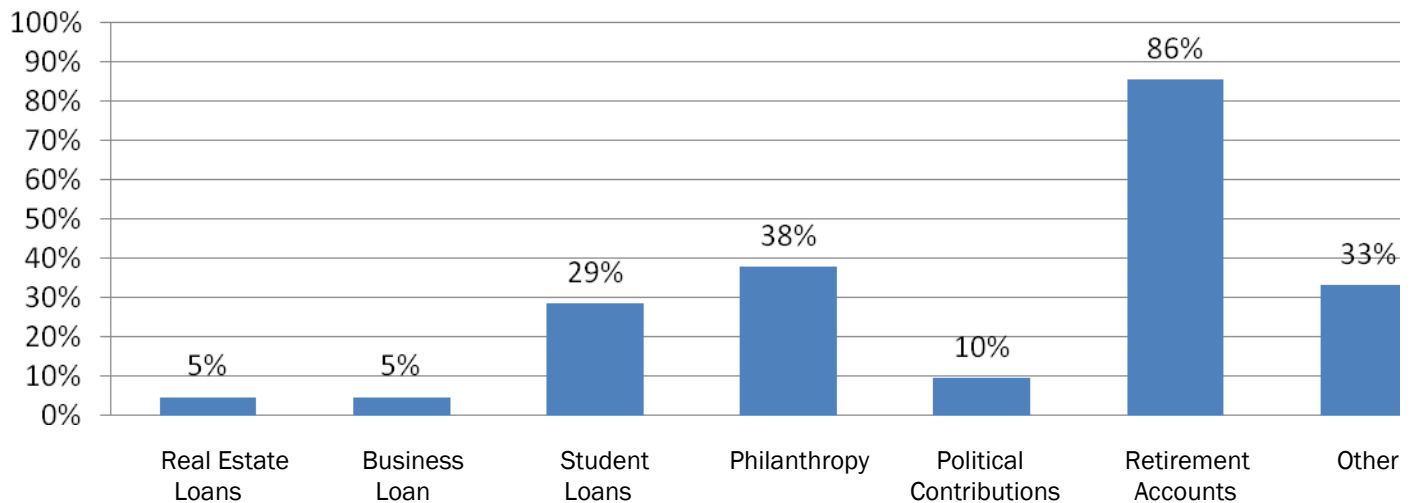


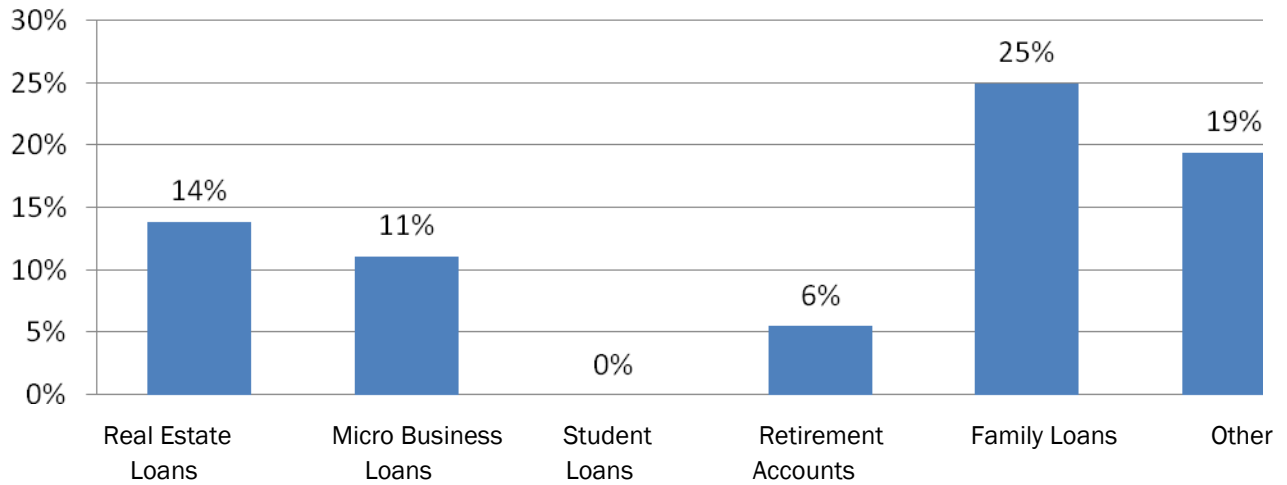
Figure 22 shows that Brazilian immigrant entrepreneurs provide help to their families in Brazil other than remittances (58% compared to 36.8% for Brazilians in Boston). Eighty-six percent contribute to their retirement accounts (versus 15.2% of Brazilians in Boston) and 29% pay for student loans (versus 5.7% of Brazilians in Boston).

They also maintain economic activity in Brazil. They finance properties (14%), capitalize microenterprises (11%), and contribute to their retirement accounts (6%). Twenty-five percent of them lend money to their families (Figure 23).

**Figure 22: Other Types of Help Besides Remittances, 2008**

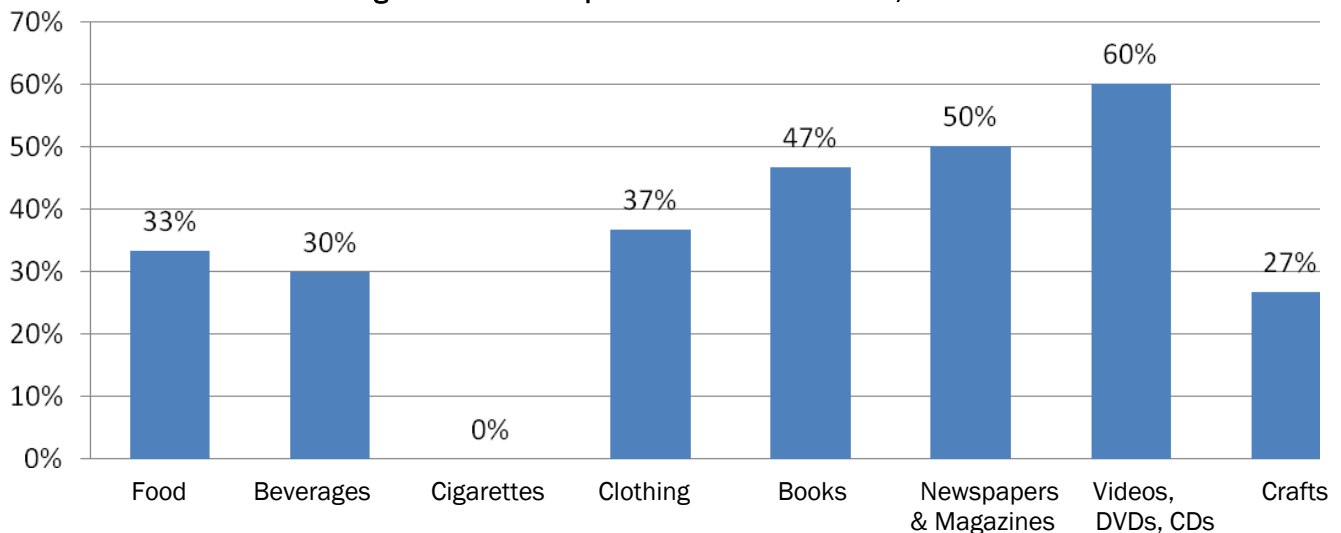


**Figure 23: Economic Activities Maintained in Brazil, 2008**



Brazilian entrepreneurs in Allston-Brighton are avid consumers of Brazilian products, but their consumption pattern differs from that of Brazilians overall in Boston (Figure 24). While the latter consume more food (45% compared to 33%) and cigarettes imported from Brazil (1.6% compared to 0%) than the former, the entrepreneurs consume more alcohol beverages (30% compared to 3.7%); clothing (37% compared to 17.8%); newspapers and magazines (50% compared to 5.1%); books (47% compared to 4.9%); videos, CDs, and DVDs (60% compared to 20.5%); and crafts (27% compared to 0.8%).

**Figure 24: Consumption of Brazilian Products, 2008**



Their civic engagement is also greater than that of most Brazilian immigrants in Boston (Figure 25). Thirty-three percent of them are engaged in some form of philanthropic endeavor related to Brazil, compared to 12.4% for Brazilians overall in Boston. They also contribute financially to charities in larger proportions (38% compared to just 11.4% for Brazilians in Boston). Their greater civic engagement is also expressed at the political level. While only 23.6% of Brazilian immigrants in Boston vote in Brazilian elections, 56% of the entrepreneurs vote in these elections (Figure 26).

Figure 24: Philanthropic Help to Brazil, 2008

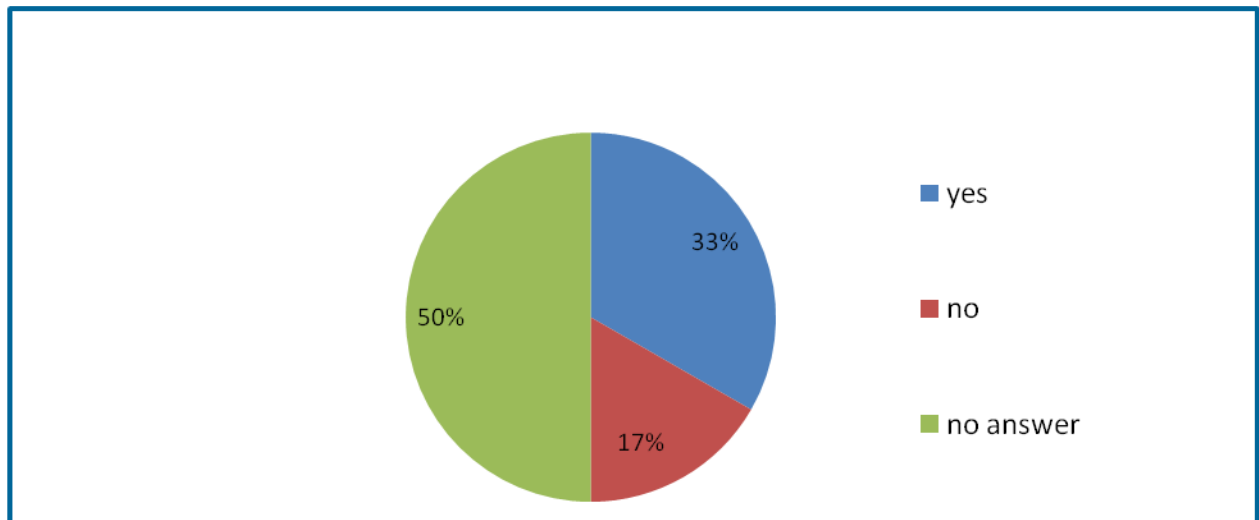
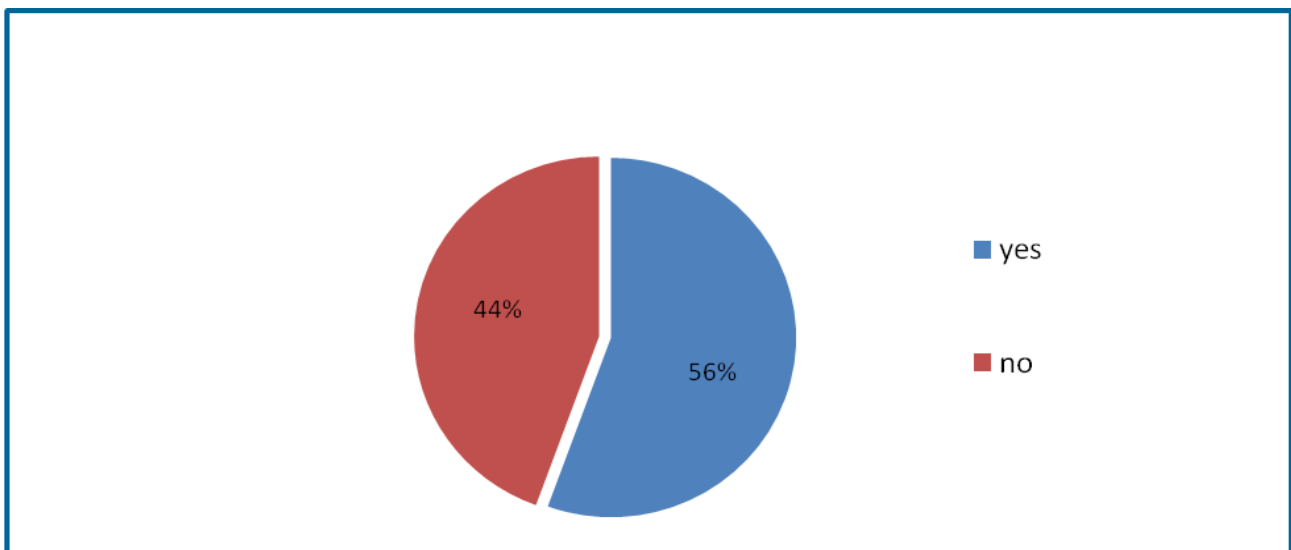


Figure 25: Vote in Brazilian Elections, 2008



## Conclusion

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In this report we first pointed out the importance of the Brazilian business community of Boston's Allston-Brighton neighborhood. Secondly, we highlighted some important transnational aspects of their lives. The findings of this pilot study provide valuable background information and data to inform current and future policies and programs implemented by local, state, and federal governments to improve small business creation among Brazilians as well as support Brazilian businesses. In order to be effective, these policies and programs should take into consideration the transnational characteristics of this population.

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